

FEDERAL RESERVE press release



For immediate release

October 10, 1997

The Federal Reserve Board today announced the issuance of an Order of Removal and of Prohibition against Gregory D. Cannon, a current officer and institution-affiliated party of the University Bank, Ann Arbor, Michigan, a state nonmember bank, and a former officer and institution-affiliated party of the Bank of Lenawee, Adrian, Michigan, a state member bank.

Mr. Cannon, without admitting to any allegations, consented to the issuance of the Order based on his alleged misapplication of funds from the Lenawee Bank.

The Order was issued jointly with the Federal Deposit Insurance Corporation.

A copy of the Order is attached.

Attachment

UNITED STATES OF AMERICA
BEFORE THE
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
AND
FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, D.C.

In the Matter of)	Docket Nos. 97-019-E-I
GREGORY D. CANNON)	
)	and
An Institution-Affiliated)	FDIC-97-37(e)
Party of)	
University Bank,)	Order of Removal and of
Ann Arbor, Michigan)	Prohibition Issued Upon
)	Consent
and)	
)	
A Former Institution-Affiliated)	
Party of)	
)	
Bank of Lenawee,)	
Adrian, Michigan)	

WHEREAS, pursuant to sections 8(e) and (i)(3) of the Federal Deposit Insurance Act, as amended (the "FDI Act") (12 U.S.C. 1818(e) and (i)(3)), the Board of Governors of the Federal Reserve System (the "Board of Governors") and the Federal Deposit Insurance Corporation (the "FDIC") jointly issue this consent Order of Removal and of Prohibition (the "Order") against Gregory D. Cannon ("Cannon"), a current officer and institution-affiliated party, as defined in section 3(u) of the FDI Act (12 U.S.C. 1813(u)), of the University Bank, Ann Arbor, Michigan ("University Bank"), a state nonmember bank, and a former officer

and institution-affiliated party of the Bank of Lenawee, Adrian, Michigan ("Lenawee Bank"), a state member bank, based on his alleged misapplication of funds from the Lenawee Bank; and

WHEREAS, by affixing his signature hereunder, Cannon has consented to the issuance of this Order by the Board of Governors and the FDIC and has waived any and all rights he might otherwise have pursuant to 12 U.S.C. 1818, 12 C.F.R. Part 263, 12 C.F.R. Part 308, or otherwise (a) to the issuance of a notice of intent to remove and to prohibit; (b) to a hearing for the purpose of taking evidence on any matter implied or set forth in this Order; (c) to obtain judicial review of this Order or any provision hereof; and (d) to challenge or contest in any manner the basis, issuance, validity, terms, effectiveness or enforceability of this Order or any provision hereof.

NOW, THEREFORE, before the taking of any testimony or adjudication of or finding on any issue of fact or law implied or set forth herein, and without admitting or denying any allegation made or implied by the Board of Governors or the FDIC in connection with this proceeding, and solely for the purpose of settlement of this proceeding without protracted or extended hearings or testimony:

IT IS HEREBY ORDERED, pursuant to sections 8(e), (i)(3) and (j) of the FDI Act (12 U.S.C. 1818(e), (i)(3) and (j)), that:

1. Cannon is hereby removed as an institution-affiliated party of the University Bank.

2. Cannon, without the prior written approval of the Board of Governors, the FDIC, and, where necessary pursuant to section 8(e)(7)(B) of the FDI Act (12 U.S.C. 1818(e)(7)(B)), another federal financial institution regulatory agency, is hereby and henceforth prohibited from:

(a) Participating in any manner in the conduct of the affairs of any institution or agency specified in section 8(e)(7)(A) of the FDI Act (12 U.S.C. 1818(e)(7)(A)), including, but not limited to, any insured depository institution or any bank or savings association holding company;

(b) soliciting, procuring, transferring, attempting to transfer, voting or attempting to vote any proxy, consent, or authorization with respect to any voting rights in any institution described in section 8(e)(7)(A) of the FDI Act;

(c) violating any voting agreement previously approved by any federal banking agency; or

(d) voting for a director, or serving or acting as an institution-affiliated party, such as an officer, director or employee, in any institution described in section 8(e)(7)(A) of the FDI Act.

3. Any violation of this Order shall separately subject Cannon to appropriate civil or criminal penalties or both under sections 8(i) and (j) of the FDI Act (12 U.S.C. 1818(i) and (j)).

4. This Order, and each and every provision hereof, is and shall remain fully effective and enforceable until expressly stayed, modified, terminated or suspended in writing by the Board of Governors and the FDIC.

5. All communications regarding this Order shall be addressed to:

(a) Mr. John J. Wixted
Senior Vice President
Federal Reserve Bank of Chicago
230 South LaSalle Street
Chicago, Illinois 60690

(b) Mr. Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Room F-4076
Washington, D.C. 20249

(c) Mr. Gregory D. Cannon
516 West Adrian Street
Blissfield, Michigan 49228

6. The provisions of this Order shall not bar, estop, or otherwise prevent the Board of Governors, the FDIC, or any federal or state agency or department from taking any other action affecting Cannon.

By order of the Board of Governors effective this
12th day of August, 1997.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

Gregory D. Cannon 8/1/97
Gregory D. Cannon

By: William W. Wiles
William W. Wiles
Secretary of the Board

By order of the FDIC pursuant to delegated authority
this 1st day of October, 1997.

FEDERAL DEPOSIT INSURANCE
CORPORATION

By: Keith W. Seibold
Keith W. Seibold
Acting Associate Director
Division of Supervision